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28 August 1958

Copy No. C 57

CENTRAL INTELLIGENCE BULLETIN



DOCUMENT NO. 23
NO CHANGE IN CLASS. X
CLASS. CHANGED TO: TS S C
NEXT REVIEW DATE: 2010
AUTH: IR 702
DATE: 3/27/80 REVIEWER:

State Dept. review completed

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Approved For Release 2002/08/16 : CIA-RDP79T00975A003900230001-3

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Approved For Release 2002/08/16 : CIA-RDP79T00975A003900230001-3

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DAILY BRIEF

Watch Committee conclusion--Sino-Soviet bloc:

A. No Sino-Soviet bloc country intends to initiate hostilities against the continental US or its possessions in the immediate future.

B. No Sino-Soviet bloc country intends deliberately to initiate direct military action against US forces abroad, US allies, or areas peripheral to the orbit in the immediate future, except as noted below.

NO
NOTE: It is likely that the Chinese Communists will continue artillery barrages along with intensified air and naval interdiction of supply lines to the offshore islands. Air attacks on the offshore islands are probable but initially would be probing to determine Chinese Nationalist and US reactions. Chinese Communist seizure of one or more of the smaller offshore islands is expected. The Chinese Nationalist and US reactions to these moves will largely determine whether or not attempts

25X1 will be made to seize the large islands of Chinmen (Quemoy) and Matsu. The Communists probably do not intend to initiate major offensive military action against Taiwan and the Pescadores in the immediate future. 25X1

II. ASIA-AFRICA

Watch Committee conclusion--Middle East:

NC C. Although a deliberate initiation of open hostilities in the Middle East is unlikely in the immediate future, the situation remains highly unstable throughout the area, particularly where US and UK interests or commitments are involved, and incidents and coups could occur at any time.

25X1 NOTE: The survival of the Jordanian regime is imminently threatened. If the regime in Jordan collapses, action by Israel and other neighboring countries to take control of Jordanian territory is likely. 25X1

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DAILY BRIEF

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OK

Morocco: Premier Balafrej may be replaced and the moderate government reorganized within the next two months in an effort to counter the growth of extremism within the dominant Istiqlal party. Armed clashes between rival factions within the party are feared since the expulsion on 13 August of three left-wing members of the political committee from all party offices. [REDACTED]

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III. THE WEST

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Panama: There are indications of a student-led uprising about 1 October, when the legislature convenes. The ostensible goal of the students is to curtail the power of the National Guard. This student movement is being actively abetted by, if not led by, the leaders of the political opposition, whose real aim seems to be the overthrow of President de la Guardia. It receives the support and encouragement of the Communists. Some opposition elements might act considerably sooner than October. [REDACTED]

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DAILY BRIEF

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Moroccan Government Counters Threatened Violence

The Moroccan Government is considering an expansion of the army and police forces within the next two months in order to cope with anticipated armed clashes between factions within the dominant Istiqlal party. Moderate Premier Ahmed Balafrej is expected to be replaced, perhaps by Abderrahim Bouabid, an able and energetic leader of the party's left wing. The prolonged cleavage within the party widened on 13 August with the suspension or expulsion from all party positions of three left-wing members of the party's political committee who failed to attend a political committee meeting. This disciplinary action was later upheld by the party's executive committee and approved by the King.

The three members expelled are Mehdi ben Barka, acting secretary general of the Istiqlal party, a member of its executive committee, and president of the Moroccan Consultative Assembly; Mahjoub ben Seddi, anti-American head of the Moroccan labor union (UMT) and vice president of the Consultative Assembly; and Mohamed Basri, a leader of the irregular Moroccan Army of Liberation.

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III. THE WEST

Serious Unrest Mounting in Panama

There are indications that at least some segments of the Panamanian opposition now may be determined to attempt to oust President de la Guardia prior to the political crisis generally expected in October. Militant student groups are spearheading a campaign to weaken the unpopular National Guard, Panama's only armed force. The government is dependent for its existence on the continued loyalty of the National Guard, and, with its maneuverability thus limited, its current efforts to reach a compromise with the students seem unlikely to succeed.

The students have been preparing for almost three months for the climax of their efforts which, if it does not come earlier, is almost certain to occur in October when the National Assembly is expected to act on their demands. The students are armed and, in view of bitter racial and class tensions, particularly in Panama City's slums, disorders could get out of control and might spread into the Canal Zone.

Although the students' main target is the National Guard, their grievances go much deeper. They bitterly resent the established social order, which involves control of the government by a small, [redacted] oligarchy. Ultrationalism is also an important element in the students' thinking, and they have been in the forefront of the campaign for US concessions in the Canal Zone. The weak Communist party is attempting to exploit student grievances, and some Communists have become influential student leaders. [redacted]

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